

# **RHODE ISLAND PUBLIC TRANSIT AUTHORITY**

## **BOARD OF DIRECTORS**

### **MINUTES OF Thursday, June 18, 2007 MEETING**

**Board Members Present: Thomas Deller, Chairperson; Robert Batting, Vice-Chair; William Kennedy and RIDOT Director, Jerome Williams.**

**Also Present: Alfred J. Moscola (General Manager); Lori Caron Silveira (Outside General Counsel); Henry Kinch; Deborah Dawson; Maureen Neira; Mark Therrien; Ellen Mandly, and other members of RIPTA's senior staff and members of the public whose names are listed on the meeting sign-in sheet.**

#### **Agenda Item 1: Approval of Minutes of April 12, 2007 Meeting**

**Mr. Deller opened the meeting and requested comments regarding the minutes of the April 12, 2007 meeting. Hearing none, a motion was made by William Kennedy for approval of the minutes as presented. Robert Batting seconded Mr. Kennedy's motion. Mr. Deller voted to approve the motion and Mr. Williams abstained. The motion passed by a vote of 3 to 1.**

## **Agenda Item 2: General Manager's Report**

**The General Manager reported that the price per gallon for fuel on June 15, 2007 was \$2.41. The average cost for fuel this fiscal year has been \$2.20 with fuel being budgeted at \$2.60 for FY 07 and \$2.40 for FY 08. Mr. Moscola advised the Board that the General Manager's report would be brief to ensure enough time for the scheduled board presentations.**

**Mr. Batting raised a question regarding a favorable variance in the insurance category of the April General Manager's report. Maureen Neira explained that the Risk Management department submits a budget based on estimated costs of insurance settlements. In some cases the claims are not finalized during the fiscal year, resulting in a favorable variance.**

**Mr. Batting then noted that fuel costs have been lower than budgeted, and pointed out that CNG and regular unleaded fuel costs are significant factors in the budget. He asked to see the fuel costs separated by type of fuel consumed. There was a brief discussion regarding the fueling locations for the CNG vehicles, specifically the Newport location which is owned by the State of Rhode Island. Mr. Moscola informed the Board that RIPTA pays for fueling and maintenance, and Mr. Batting asked if anyone else used the station for fueling to which Mr. Moscola replied that there are a few other state agencies use it, but not many.**

**Director Williams then asked about the line item for wages and asked if the variance was due to overtime. Mr. Moscola responded that the variance is the result of a number of factors, including overtime, and pointed out to the Board that a number of jobs have overtime hours built right into them, and cited numerous other factors that contribute to overtime.**

**Mr. Batting again referenced the General Manager's report, pointing out that the single biggest ridership and revenue factor is the result of Ritecare passes. He continued that according to this report, approximately 55% of passengers ride for free, and brought up that the source of revenue (Ritecare) could be at risk, which would make a big impact on RIPTA's budget. Mr. Moscola responded that RIPTA staff is diligently monitoring the Ritecare situation, and at this time, no new information has been available to RIPTA. Mr. Deller noted that the question is if passengers currently riding for free would continue to ride if they had to pay. He further pointed out that RIPTA has been in this situation for a number of years and urged staff to continue to watch the matter closely.**

### **Agenda Item 3: 2007 Budget Update**

**Mr. Deller then moved on to agenda item 3 the 2007 budget update. Maureen Neira addressed the Board and said that 10 months into the 2007 fiscal year, RIPTA has broken even on the revenue side in spite**

of a huge reduction in the gas tax, and the expense side remains slightly under budget. Ms. Neira summarized by stating that even though there are 2 months left in the fiscal year, it appears that RIPTA will come within budget for 2007.

She brought up the matter of the capital budget, which must be submitted to the state by July 16th. She informed the Board that the capital budget will be distributed to the members of the Board for review prior to approval at the July Board meeting so that RIPTA can submit it into the state on time.

Mr. Batting asked RIPTA's outside counsel. Lori Caron Silveria to research the use of capital funds for preventative maintenance, to ensure that such use doesn't violate any bond issues. He asked Lori to follow up with Richard Licht who had previously done similar research.

Mr. Deller asked Ms. Neira if overtime costs were draining the surplus funds from fuel, to which she replied that the surplus is primarily in the claims area, and not affected by overtime utilization. Mr. Moscola again brought up the shortfall of \$940,000 caused by the reduced gas tax yield, stating that it was good for RIPTA that the fuel was budgeted higher which has served to offset the reduction of the gas tax.

Mr. Batting noted that he read in the Abrams Study that miles and

hours in the RIde program have increased, and it appears that there has been no significant increase in rides provided. He further noted that the number of bus drivers has decreased while the number of van operators has increased. He requested that a further review on this topic be scheduled for the next Board meeting. Mr. Kennedy pointed out that RIPTA service has been extended to more of RI's cities and towns, which accounts for some of the increased miles and hours.

Mr. Deller asked if there were further questions or comments for Ms. Neira and hearing none moved on the next agenda item.

#### **Agenda Item 4: Special Legislative Commission to Study Transit Service in the State of Rhode Island**

Mr. Deller moved on to the next informational agenda item, an overview of the report issued by the Special Legislative Commission to Study Transit Service in the State of Rhode Island. Mark Therrien gave the presentation to the Board and began by saying that this final report is the culmination of a 3-year process between the Senate and the House to study Transit in Rhode Island. The commission, chaired by Senator Connors and Representative Pacheco sought to address RIPTA's financial situation and to develop ways to optimize the functionality of a legacy transit system that will adequately meet future transportation needs and will transform RIPTA into the state's mobility manager.

**The commission heard testimony from a number of community groups, and local municipal leadership to help generate ways to use transit to spur the state's overall growth. The commission looked at ways to obtain funding for and to use streetcars.**

**The commission also studied the Ride program and heard from the Governor's Commission on Disability the need to expand the Flex Program instead of Ride. Rob Healy testified on behalf of APTA and said that RIPTA is not that different from other transit properties across the nation who are struggling with the question of how to fund transit.**

**Mr. Therrien then discussed financial strategies, RIPTA's current funding stream and gave a brief national overview of transit funding. He discussed capital funding strategies, including state infrastructure banks, interagency partnerships, pooled financing and tax increment financing. Mr. Therrien then discussed a report, which was authored by students at the Senate Policy Office, which Ken Payne has championed. The report promotes "Legs, Loops and Links" with Legs representing pedestrians, loops meaning traffic circulation and links promoting rail service.**

**The Commission recommended providing long-term dedicated transit funding, updating RIPTA's enabling statute, requiring RIPTA, RIDOT and Statewide Planning to develop a public transit strategy for Rhode**

Island, which would identify new revenue sources, invest in new technology, place transit decisions early in any new development process and ensure intermodalism. Mr. Therrien cited such a partnership with the new development in Cranston near Garden City called Chapel Place, where by working directly with the developer, the center is adequately equipped to handle transit vehicles.

The study has prompted new legislation Bill 07S-1060 which has already been approved by the Senate. This act refines the powers and duties of RIPTA and redefines the priorities as well.

Mr. Therrien reported that RIPTA has already taken action in some areas citing two new ITS projects, Fareboxes and Ride software about to commence.

Upon the completion of Mr. Therrien's presentation Mr. Deller gave the Board the opportunity to ask questions. Mr. Batting asked if the Board would receive a briefing on the highlights of the Abrams study.

Mr. Moscola said RIPTA staff are studying the report and forming committees to address the recommendations. He and staff will review the recommendations by department and report back to the board at a future meeting with a plan. Mr. Deller thanked Mr. Therrien and moved onto the next agenda item.

**Agenda Item 5: RFP 07-18 Security Consultant**

**Mr. Mencarini discussed the next staff summary for the award of a contract for security consultant services. Following Mr. Mencarini's presentation and staff's recommendation, Director Williams asked questions regarding price differential amongst the bidders and the method by which the formula was weighted. A conversation ensued and further questions were posed. Some of the information that Director Williams and other Board members were seeking was not readily available. After discussion Mr. Moscola suggested to the Board that the matter be tabled until staff could research the questions raised by the Board. Chairman Deller and the rest of the Board agreed that it was best to table this matter. Mr. Mencarini was instructed to create additional information for the procurement of security consultant services, containing more detailed information and addressing the specific questions posed by the Board members. It was agreed that the procurement, including the additional information would be brought to the July Board meeting.**

**Chairman Deller then moved on to the next agenda item.**

#### **Agenda Item 6: RFP 07-31 ADA Stop Announcement Monitoring**

**Mr. Mencarini discussed the next staff summary for the award of a one-year contract with up to four annual renewal options with the first year of the contract at \$57,760 for ADA Stop Announcement Monitoring.**



**Director Williams questioned the necessity of paying a contractor to ride the bus and monitor the drivers to ensure they are doing their job. Mr. Batting indicated that he had the same question, and asked if it was possible to use internal RIPTA staff to monitor the announcements. Mr. Moscola stated that the ADA law requires 100% compliance with making stop announcements. He continued that many transit properties have GPS systems on their buses that make automated announcements.**

**Mr. Moscola also informed the Board that RIPTA reports quarterly on compliance to the Accessible Transportation Advisory Committee (ATAC), and they look for an outside group to monitor the compliance. In addition, the ATAC receives the same reports that RIPTA receives from the contractor. Mr. Moscola continued that in order to do the work utilizing internal staff, it would be necessary to hire additional employees. Director Williams asked about RIPTA's current rate of compliance to which Mr. Moscola responded that the average is 70% but hit a high of 82%, and ranked one of the highest in the nation for compliance.**

**Chairman Deller instructed staff to continue the current contract for one month, and to come back to the Board with different options for accomplishing the monitoring. The matter was tabled. Mr. Kennedy asked if RIPTA was violating any laws by not moving forward with the procurement, and Mr. Moscola that was not the case.**

**With this matter tabled Chairman Deller moved on to the next agenda item.**

**Agenda Item 7: IFB 07-33 Bonded Brake Shoes/Rebuilt ZF Transmission**

**Roger Mencarini discussed the next procurement for Bonded Brake Shoes/Rebuilt ZF Transmission. Mr. Mencarini requested the RIPTA Board to award a contract for Bonded Brake Shoes to Palmer Spring Company. This is a one-year contract with up to four annual renewal options to be exercised at the sole discretion of the Authority. This is a recurring item and the price represents a 10% decrease from last year. The second part of the staff summary addressed the purchase of 2 rebuilt transmissions. After a brief discussion Mr. Batting moved to award the contract to Palmer Spring Company as recommended by staff. Mr. Kennedy seconded the motion and it passed unanimously.**

**Agenda Item 8: IFB 07-34 Petroleum Storage Dispensing System Maintenance/Repair and Inspection**

**Mr. Mencarini addressed the next then item for the award of a contract to provide maintenance and repair services to the storage and dispensing systems for the petroleum based products used at RIPTA. Staff recommends the award of a one-year contract with up to four annual renewal options to Trask Petroleum Equipment Company who had the lowest hourly rate. Mr. Mencarini added that Trask**

would service 5 fuel storage tanks plus 20 other tanks. Mr. Batting asked if these were the tanks that were cited by DEM, and if so why didn't Trask pick up on the problem. Mr. Moscola said this was a different tank issue, and continued that when changes are made to the tanks, Trask will monitor them. After a brief discussion Mr. Kennedy made a motion to award the contract to Trask Petroleum Equipment Company as recommended by staff. Director Williams seconded the motion and it passed unanimously.

Prior to moving to the next agenda item, the Board re-visited agenda item 5 regarding security consultant services. Director Williams clarified his request, indicating that he is seeking further detail, including actual dollar amounts in the staff summary. Mr. Mencarini said that such information would be included in the additional information that will be provided to the Board. Mr. Batting then asked if there was a federal mandate that required the Authority to spend a certain amount on security. Mr. Mencarini replied that 1% of federal formula funds must be dedicated to security. Mark Therrien added that RIPTA receives \$20 million from the 5307 Program and of that amount 1% must go towards security and 1% must be spent on system enhancements. There was further discussion regarding this mandate, and the Board was informed that RIPTA had been cited in the past in a federal audit for not spending the money. Mr. Moscola stated that RIPTA has no one on staff to put an entire security plan together for the facilities, and the consultant would also assist in writing policies and procedures. Mr. Mencarini continued that the use

of a professional would assist RIPTA in identifying priorities and maximizing the use of the funds. The contractor would work on the project for 14 weeks, and at the conclusion RIPTA would have a set of recommendations from which to operate. Director Williams asked if this procurement is time sensitive, to which Mr. Mencarini replied that it was not. Chairperson Deller indicated that the Board would look forward to receiving additional information on this matter next month.

Chairperson Deller then called for the next agenda item.

#### **Agenda Item 9: Drug and Alcohol Policy for Safety Sensitive Employees**

Deborah Dawson discussed the next agenda item, RIPTA's Drug and Alcohol Policy for Safety Sensitive Employees. Ms. Dawson reported that the FTA mandates all transit agencies' drug and alcohol testing programs. Periodically the FTA changes the requirements, and in order to remain in compliance with the program, it is necessary to update RIPTA's policy to reflect such changes. She continued that recently the number of random drug tests required was reduced from 50% to 25% of safety sensitive employees. She stated that the lower testing percentage would result in a savings of approximately \$11,000 annually and add to increased productivity. She also informed the Board that FTA requires governing Board approval of the Drug and Alcohol Policy for the agency.

**She reviewed the specifics of the changes. Following such review a motion was made by Mr. Batting to approve the Drug and Alcohol Policy for Safety Sensitive Employees as amended. Director Williams seconded the motion, which passed unanimously.**

#### **Agenda Item 10: RIPTA's New E-Fare Program**

**Edward Scott and Alfred Moscola addressed the next agenda item and presented to the Board a presentation on RIPTA's new E-Fare Program. Mr. Moscola informed the Board that as part of RIPTA's ongoing intelligent transportation system transition (ITS), new electronic fareboxes and electronic fare products will be introduced this summer. Beginning on July 30th all of RIPTA's fixed-route buses, trolleys and Flex vehicles will be equipped with the e-fareboxes. He reminded the Board that the approval of the purchase of the fareboxes from GFI Genfare occurred in September 2006 at a cost of \$3.9 million. The program has been funded by federal funds for 80% of the cost, and the remaining 20% from RIPTA's capital revolving loan fund.**

**The General Manager explained that the e-fareboxes replace RIPTA's old fareboxes, which are now more than 20 years old and obsolete. The old fareboxes are difficult to repair when they break down, parts for repair are difficult to obtain and lack modern technology to recognize "unacceptable" deposits such as "slugs". The new**

fareboxes will provide more accurate ridership data, more flexible fare options for customers, decrease the cost of handling revenue collection as well as improving revenue collection, accounting and control.

Mr. Moscola said Phase I of the program will involve RIPTIKs, transfers, change cards, 1-day and 15-ride passes. RIPTA monthly passes for seniors and people with disabilities will remain the same until further notices. Mr. Moscola asked Mr. Scott to demonstrate the new passes on a new e-farebox, which had been set up for the Board members to view. Mr. Scott reviewed the type of payment the farebox accepts and discussed the new 1-day and 15-ride passes. Mr. Scott then demonstrated how the box validates a transfer. Mr. Deller asked if money could be added to the 1-day or 15-ride passes, and Mr. Scott responded that was not possible. Mr. Moscola added that eventually RIPTA will have smartcards that would allow it transactions such as adding money to the card. Mr. Scott continued providing the Board with highlights of the new fareboxes.

Mr. Kennedy asked if the drivers had been trained on the new boxes and Mr. Scott replied that the training was currently underway. Mr. Batting asked what affect the new boxes will have on the UPass cards and Mr. Scott summarized the arrangements that had been made with each of the universities involved in the UPass program. Mr. Batting then asked if Ritecare riders would be using the new system, to which Mr. Moscola responded that Ritecare pass holders as well as and

regularly monthly passes would convert around January, or possibly a little sooner.

In researching the conversion to ITS Mr. Moscola and staff conferred with other transit properties and learned that the most successful programs had been rolled out in phases, which helped the public acclimate to the new system and fares on a gradual basis. Mr. Kennedy asked about the timetable for installation of fareboxes to the vehicles, to which Mr. Moscola responded that the transition will take place the weekend of July 28th and all vehicles will be equipped for pullout on Monday, July 30th. Mr. Batting commented that it seems that approximately 20% of riders would be using the new e-fares, and Mr. Moscola agreed with his assessment. Mr. Therrien interjected that a phased implementation is important so that the system does not slow down with confusion over the new farebox and e-fares. Mr. Moscola commended the maintenance department for doing a great job preparing the buses for this complicated installation.

Finally, Mr. Moscola highlighted the public communications and outreach program that is being implemented to educate passengers on the new system. RIPTA will be using bus schedules, display cards on buses, website, print and radio ads to advertise and explain the new fareboxes and e-fares. The first phase of the outreach program will be in effect from July 2nd through late September and will include live demonstrations of the new farebox at Kennedy Plaza, the Pawtucket Transit Center, the Newport Gateway Center and other

public venues. Mr. Moscola concluded the presentation by stating that electronic fareboxes are just the beginning. In the future, RIPTA hopes to implement automated stop announcements, additional automated passenger counting, 'real time' information, automated vehicle location and traffic signal prioritization. RIPTA staff is currently working on video cameras and there is currently a demonstration pilot of cameras on a paratransit vehicle.

Mr. Deller asked questions regarding fare products, and after a brief discussion Mr. Kennedy thanked the General Manager and staff for the information provided.

#### **Agenda Item 11: Public Comment**

Mr. Deller requested public comments. No public comments were received and Mr. Deller moved on to the next agenda item.

#### **Agenda Item 12: Adjournment**

Mr. Kennedy moved to adjourn the meeting; Mr. Batting seconded the motion, which passed unanimously.

Respectfully submitted,



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**Ellen M. Mandly**

**Secretary to the Board**